



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 16, 1998

### **H.R. 2864** **Occupational Safety and Health Administration Compliance Assistance** **Authorization Act of 1998**

*As ordered reported by the House Committee on Education and the Workforce  
on March 11, 1998*

CBO estimates that enacting this bill would not have a significant impact on the federal budget. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. H.R. 2864 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would not have a significant impact on the budgets of state, local, or tribal governments.

H.R. 2864 would codify and amend the existing State consultation program administered by the Occupational Safety and Health Administration (OSHA). Under current law, states participating in this program provide guidance at no cost to employers to assist them in establishing effective occupational safety and health programs. Such services are provided in response to an employer's request with scheduling priority given to small businesses with the most hazardous operations. If the employer corrects all hazards that have been identified during the consultative visit and meets certain other requirements specified under current regulations, then the employer may be exempt from a general OSHA inspection for a period of one year.

Under H.R. 2864, the Secretary of Labor would be required to establish rules, by regulation after notice and opportunity for comment, under which an employer may be exempt from an inspection for a period of one year from the closing of a consultative visit. Based on conversations with OSHA staff, CBO estimates that publishing, responding to comments, and submitting the final rule would add approximately \$200,000 in employee hours to the cost of current OSHA activities.

In addition, if the publicity and education that might result from codifying this program increased the demand for state consultation services, the cost of reimbursing states for providing these consultations would rise. In fiscal year 1998, OSHA reimbursed states \$35 million for this program.

The CBO staff contact for the impact on federal costs is Cyndi Dudzinski, the contact for the impact on state, local, and tribal governments is Marc Nicole, and the contact for the impact on the private sector is Kathryn Rarick. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.